

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF GREEN RIVER ELECTRIC	)	
CORPORATION FOR AN ORDER PURSUANT TO	)	
KRS 278.300 AND 807 K.A.R. 5:001,	)	
SECTION 11 AND RELATED SECTIONS,	)	CASE NO. 94-379
AUTHORIZING IT TO ISSUE EVIDENCE OF	)	
INDEBTEDNESS TO BORROW \$1,458,000.00	)	
FROM THE NATIONAL BANK FOR COOPERATIVES	)	

O R D E R

IT IS ORDERED that Green River Electric Corporation ("Green River") shall file the original and 6 copies of the following information with the Commission with a copy to all parties of record within 7 days from the date of this Order.

1. Describe in detail any sources other than the National Bank for Cooperatives ("CoBank") that were considered in securing the supplemental financing requested herein. Include the reason(s) that CoBank financing was selected over other options, as well as the results of any studies conducted which support the use of CoBank financing.

2. Given the changes in the Rural Electrification Administration ("REA") loan program;

a. Explain efforts undertaken by Green River to obtain other financing.

b. Discuss the current status of the REA loan program and explain the impact the changes have had on the current loan application of Green River. Include copies of any notices or

correspondence received from REA concerning the changes in the loan program.

c. Discuss the interest rate options available to Green River.

3. Provide the additional debt service requirements associated with the REA loan and the CoBank loan, using the lowest REA interest rate currently available to Green River and the current CoBank variable and fixed interest rates.

4. Explain whether Green River will be able to meet its increased debt service requirements with the revenues generated by its existing rates.

5. Discuss the various interest rate options currently available through CoBank. Include copies of documents from CoBank describing these options.

6. Explain how Green River determined that the fixed rate option would result in the lowest cost financing over the term of the loan. Include the results of any economic studies or analysis used by Green River in making this determination.

7. Concerning the actual work performed under the 1994-1995 Work Plan;

a. When did Green River begin construction under the 1994-1995 Work Plan?

b. How much has Green River spent on the 1994-1995 Work Plan, as of the date of its response to this Order?

8. Provide a copy of REA Form 740c and any applicable amendments as they relate to this application.

9. Provide a copy of the Long Range Financial Forecast filed with REA to support the proposed financing.

Done at Frankfort, Kentucky, this 1st day of November, 1994.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director